

## **MINUTES**

### **MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION COMMITTEE ON STATE ADMINISTRATION**

**Call to Order:** By **CHAIRMAN JOHN COBB**, on March 14, 2003 at 3:10 P.M., in Room 335 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. John Cobb, Chairman (R)  
Sen. Mike Sprague, Vice Chairman (R)  
Sen. Kelly Gebhardt (R)  
Sen. Carolyn Squires (D)  
Sen. Mike Wheat (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Pat Murdo, Legislative Branch  
Mona Spaulding, Committee Secretary  
Rebecca Sattler, Transcription of Minutes

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing & Date Posted: HB 621, HB 689, HB 719, HJR  
24, HJR 25, HJR 28, 3/11/2003

Executive Action: HB 252, Be Concurred In;  
HB 621, Be Concurred In;  
HJR 25, Be Concurred In

**EXECUTIVE ACTION ON HB 252**

**Motion/Vote:** SEN. COBB moved that HB 525 BE CONCURRED IN. Motion carried unanimously by voice vote.

SEN. COBB will carry this bill on the Senate floor.

*{Tape: 1; Side: A; Approx. Time Counter: 0 - 2.3}*

**HEARING ON HB 689**

**Sponsor:** REP. ALAN OLSON, HD 8, Roundup

**Opening Statement by Sponsor:**

REP. OLSON stated that HB 689 is to revise the laws related to lobbying. He explained that under the old law, any expenditure can result in a person needing to file as a lobbyist, pay the fee, and file the reports. HB 689 states that if a person makes more than \$2,150 during a calendar year, they qualify as a lobbyist. If a person makes less than that, they are a principal and are required to file reports at the expense of the commissioner. He explained that HB 689 excludes personal living and traveling expenses from those figures.

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**Proponents' Testimony:**

Patrick Judge, Montana Environmental Information Center, (MEIC), stated that they support the bill with the addition of their proposed amendments. The first is a technical amendment on Page 3, Line 9 as it relates to Page 2, Line 26. The MEIC wish to strike the language "who is not lobbying." The second change is on Page 3, Line 18 regarding the travel and living expenses. MEIC believes that there should be a \$1,000 limit to those travel expenses on the trigger.

Chris Gallus, Montana Society of Association Executives (MSAE), stated their support for the bill, especially regarding the expense trigger. He went over the history of the triggers and the reasoning to set that trigger as it originally was. MSAE doesn't oppose the first amendment as suggested by Patrick Judge, but they don't agree with the second. He addressed their concerns with HB 689, but urged the Committee's support.

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**Webb Brown, Montana Chamber of Commerce**, also supports the bill, but not the proposed amendments. He stated that the intent of the original law was to require lobbyists to report the large costs they incur, not every cost.

**Spook Stang, Executive Vice President, Montana Motor Carriers' Association**, stood in support of this bill. He said that a constituent should have the right to contact their legislator without having to be fined as a lobbyist.

**John Flink, MHA**, endorses this legislation.

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**Charles Brooks, Billings Area Chamber of Commerce, and Montana Retail Association**, stated their support for the bill.

**Jim Mockler, Executive Director, Montana Coal Council**, supports HB 689.

**Riley Johnson, Natural Federation of Independent Businesses (NFIB)**, stood in support of HB 689.

**Nancy Schlepp, Montana Farm Bureau Federation**, supports HB 689.

**Don Judge, Teamsters Local 190, Montana Chapter, Sierra Club**, stated that both groups support HB 689. They agree with the first proposed amendment, but not the second.

**John Shontz, Montana Newspaper Association**, commented in support of HB 689. He also believes that there should be no cap on the reporting of expenses.

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**Jerry Driscoll, AFL-CIO**, stated his support for the bill.

**Margaret Morgan**, explained that she has six clients, four of which are citizens. The \$150 fee is a hardship for some of them. She encourages support for HB 689 unamended.

**Amy Gromoss**, stated her support for the bill as it stands.

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**Bob Vogel, Montana School Boards Association (MTSBA)**, supports the bill and urged the Committee to support it as well.

**Opponents' Testimony:**

**John Motl, Attorney, Member of the Commissioner of Political Practices Select Committee**, stated his opposition on the basis of diminimus exception, according to the campaign finance laws. He said this alters the original law from \$1,000 to \$2,150. It also changes those figures from expenses to wages.

***{Tape: 1; Side: B; Approx. Time Counter: 0 - 4.4}***

**Mark Mackin** was one of the original members of the initiative. He delineated the benefits of lobbyist disclosure. He stated that their original criteria was to not inhibit the public from contacting their representatives, and to exclude lobbying incidents versus lobbying efforts.

**Informational Testimony:**

**Dulcy Hubbert, Program Supervisor for the Commissioner of Political Practices**, went through her written testimony and distributed information on lobbying activity over the years.

**EXHIBIT(sts54a01)**

**EXHIBIT(sts54a02)**

***{Tape: 1; Side: B; Approx. Time Counter: 4.4 - 14.3}***

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

**REP. OLSON** closed on HB 689. He requested that Dulcy Hubbert be listed as an opponent of the bill, instead of an informational witness.

***{Tape: 1; Side: B; Approx. Time Counter: 14.3 - 19.2}***

**HEARING ON HJR 24**

**Sponsor:** REP. DEE BROWN, HD 83, Hungry Horse

**Opening Statement by Sponsor:**

**REP. BROWN** stated that HJR 24 is a measure to study bill requests and to establish bill introduction limits. She added that she would like to change Lines 11-12. She distributed a sheet on the statistics of bill activity.

**EXHIBIT**(sts54a03)

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

**SEN. SQUIRES** asked how to explain to the constituents that their representative couldn't bring their issue into a bill. **REP. BROWN** stated that prioritization of the State's business is of importance. If a bill only affects a few constituents, it is not in the best interest of all. Otherwise, another proposed bill probably addresses their concern, or it could be added on to an existing bill.

**SEN. SQUIRES** and **REP. BROWN** continued to discuss the issue of limiting bill requests. **REP. BROWN** stated that this resolution is not to limit bills, but to require pre-introduction of bills to cut down on the repetitiveness and waste.

Closing by Sponsor:

**REP. BROWN** closed on HJR 24.

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HEARING ON HB 621

Sponsor: **REP. JOHN SINRUD, HD 31, Bozeman**

Opening Statement by Sponsor:

**REP. SINRUD** explained that this is a committee bill from the House Joint Appropriations Committee with the Senate Finance Committee. The purpose is to make the chiropractic legal panel no longer a State agency. This will allow their budget to be offline; they will still be reviewed by the Legislative Auditor.

Proponents' Testimony:

**Mary Lou Garrett, Director, Chiropractic Legal Panel,** stated her support for HB 621.

**John Shontz, Attorney,** also supports the bill.

*{Tape: 1; Side: B; Approx. Time Counter: 25.6 - 30}*

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

REP. SINRUD closed on HB 621.

*{Tape: 2; Side: A; Approx. Time Counter: 0 - 0.5}*

HEARING ON HJR 28

Sponsor: REP. MICHAEL LANGE, HD 19, Billings

Opening Statement by Sponsor:

REP. LANGE stated that this resolution urges the Department of Administration to study the process for awarding construction contracts. Historically, governments have used the lowest competitive bid system. Other systems are now emerging to better achieve that result.

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Proponents' Testimony:

Kerry Hagneberg, Montana Contractors' Association, stated their endorsement of the resolution. He reiterated the need for a new system and delineated the options that are currently emerging.

Opponents' Testimony: None

Informational Testimony:

Russ Katherman, Contracts Officer, Department of Administration (DOA), Building and Construction, stated that he is there to answer any questions of the committee.

Questions from Committee Members and Responses:

SEN. SQUIRES asked if the DOA is willing to pay for the study. Russ Katherman replied that they would help with the leg work,

and he didn't anticipate many costs. **SEN. SQUIRES** added that she would like to see a legislator involved in the study.

*{Tape: 2; Side: A; Approx. Time Counter: 5.5 - 10}*

**Closing by Sponsor:**

**REP. LANGE** closed on HJR 28.

**HEARING ON HB 719**

**Sponsor:** **REP. ALAN OLSON, HD 8, Roundup**

**Opening Statement by Sponsor:**

**REP. OLSON** explained that HB 719 is to revise the laws governing ballot measures on the initiative process. He stated that the bill does not shorten the time to gather signatures or any other part of the process. It gives more time for the opponents of the initiative to create a campaign. It will eliminate the fiscal note, with an amendment to have the Governor's Budget and Program Planning Office review it.

*{Tape: 2; Side: A; Approx. Time Counter: 10 - 14.7}*

**Proponents' Testimony:**

**Ronda Carpenter, Carpenter Consulting**, went through her handout and the bill to show the changes between current law and HB 719.

**EXHIBIT**(sts54a04)

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**Webb Brown, Montana Chamber of Commerce**, stated their support.

**Elaine Gravely, Elections Deputy, Secretary of State**, also supports the bill.

*{Tape: 2; Side: A; Approx. Time Counter: 28 - 30}*

**Nancy Schlepp, Montana Farm Bureau Federation**, stood in support of HB 719 and gave examples of misrepresentation of initiatives.

**Jim Mockler, Executive Director, Montana Coal Council**, supports HB 719, stating that the representative form of government has been abused and this bill will remedy that problem.

**Mary Allen, Allen and Associates, Western Environmental Trade Association,** stated her support for HB 719.

**Mark Taylor,** also supports this bill. He told what happened to his family regarding I-123 and the initiative process. His parents went to vote and a person sitting at a table approached them and misrepresented the impact of the initiative.

*{Tape: 2; Side: B; Approx. Time Counter: 0 - 6.5}*

**REP. SCOTT MENDENHALL, HD 39,** added his support for the bill.

**Opponents' Testimony:**

**Mark Mackin** went over his written testimony that detailed his opposition to the bill, addressing each section of the bill.

**EXHIBIT**(sts54a05)

*{Tape: 2; Side: B; Approx. Time Counter: 6.5 - 20.7}*

**Verner Bartleson, Montana Senior Citizens' Association (MSCA),** added their opposition to the bill, which places more obstacles in the way of the citizens. He stated that it is harder to get an initiative on the ballot than people think.

**Dick Paulsen, American Lung Association,** read his written testimony.

**EXHIBIT**(sts54a06)

*{Tape: 2; Side: B; Approx. Time Counter: 20.7 - 27}*

**John Motl, Attorney,** read his written testimony.

**EXHIBIT**(sts54a07)

*{Tape: 3; Side: A; Approx. Time Counter: 0 - 5.3}*

**Cliff Christian, American Heart Association,** read his written testimony in opposition to HB 719 and distributed information regarding the history of initiatives.

**EXHIBIT**(sts54a08)

**EXHIBIT**(sts54a09)

**EXHIBIT**(sts54a10)

**EXHIBIT**(sts54a11)

**EXHIBIT**(sts54a12)



**{Tape: 3; Side: A; Approx. Time Counter: 5.3 - 13.3}**

**Kathy McGowan, American Cancer Society**, stated their opposition for HB 719, an attempt to make the process more difficult for ordinary citizens.

**Stan Frasier, Treasurer for Sportsmen for I-143**, stated that this is an initiative-destruction bill. He said that signature collectors are given strict instructions and are not allowed to harass voters.

**{Tape: 3; Side: A; Approx. Time Counter: 13.3 - 20.6}**

**Don Judge, Teamsters Local 190, Montana Chapter, Sierra Club**, referred to Ronda Carpenter's testimony. He charged that she did not cover the new portion requiring an affidavit to be signed by the person who actually acquired the signatures. He said that proves that people make mistakes, even when they know the bill well. He stated that the bill is a bad bill and should not pass.

**Joe Ruby** stated opposition regarding the hastiness of the bill.

**{Tape: 3; Side: A; Approx. Time Counter: 20.6 - 25.1}**

**Pat Callbeck-Harper, AARP Montana**, stood in opposition to HB 719.

**Patrick Judge, Montana Environmental Information Center (MEIC)**, distributed an analysis of ballot measures brought by citizens to illustrate that the process is already very difficult. He also expressed concern over the time compression for the initiatives.

**EXHIBIT(sts54a13)**

**John Gibson, Billings Rod and Gun Club**, stated opposition to HB 719, and that the legislators are trying to stand in the way of the democratic process.

**{Tape: 3; Side: A; Approx. Time Counter: 25.1 - 30}**

**Matt Leow, MontPIRG**, distributed written testimony and a newspaper article regarding the initiative process.

**EXHIBIT(sts54a14)**

**EXHIBIT(sts54a15)**

**Jeanne Souveney, Livingston, Montana Conservation Voters (MCV)**, opposes HB 719. She said the shift in time lines is the most difficult part of the bill. She said that Page 2, Section 2

regarding shortened titles is also very problematic, and opposes the legislative staff review.

**Cody Ferguson, Northern Plains Resource Council (NPRC)**, opposes any legislation that makes the democratic process more difficult. He wanted it added in the record that he has signed many initiatives and has always known what he was signing.

*{Tape: 3; Side: B; Approx. Time Counter: 0 - 3.5}*

Informational Testimony: None

Questions from Committee Members and Responses:

**SEN. COBB** asked about Section 11 and the requirement for signatures and the penalties involved. He will address the concerns later.

Closing by Sponsor:

**REP. OLSON** closed on HB 719. He said that he believes in the initiative process, but there has been serious abuse in the past.

*{Tape: 3; Side: B; Approx. Time Counter: 3.5 - 11.8}*

HEARING ON HJR 25

Sponsor: **REP. CAROL JUNEAU, HD 85, Browning**

Opening Statement by Sponsor:

**REP. JUNEAU** explained that this resolution is to urge support for the north-central Montana Community Ventures Project. She distributed copies of the initiative (Exhibit 16) and letters from George Heavy Runner, Co-Chairman of the Project, and Jay Goddard, Chairman of the Blackfeet Tribal Business Council (Exhibit 17).

**EXHIBIT**(sts54a16)

**EXHIBIT**(sts54a17)

Proponents' Testimony:

**Peggy Beltrone, Cascade County, Co-Chair, Montana Community Ventures Project**, stated that this is a coalition to reduce poverty in the reservation region. They need as much support as possible to be chosen to receive funding from the Northwest Area Foundation over the next 10 years.

*{Tape: 3; Side: B; Approx. Time Counter: 11.8 - 16}*

**Paul Tuss, Executive Director, Bear Paw Development Corporation, Havre,** stated that they will be the fiscal agent for the poverty-reduction resolution. They will receive \$13-16 million dollars for the project over a 10 year period, should they be selected.

**Captain Ron Wildman, Salvation Army, Great Falls,** stated that he is working with the Project and has never seen such a diverse organization. It is a worthy cause and all kinds of people are working together to make it happen. They are not asking for any money, but for the legislature's support.

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

**REP. JUNEAU** closed on HJR 25, stating that this project will benefit 11 counties in Montana. They are competing against three states, and the legislator's approval would help them.

*{Tape: 3; Side: B; Approx. Time Counter: 16 - 20.9}*

**EXECUTIVE ACTION ON HJR 25**

**Motion/Vote:** SEN. SQUIRES moved that HJR 25 BE CONCURRED IN. Motion carried unanimously by voice vote. SENS. SPRAGUE and COBB voted by proxy.

SEN. ROUSH will carry the bill on the Senate floor.

*{Tape: 3; Side: B; Approx. Time Counter: 20.9 - 21.3}*

**EXECUTIVE ACTION ON HB 621**

**Motion/Vote:** SEN. SQUIRES moved that HB 621 BE CONCURRED IN. Motion carried unanimously by voice vote. SENS. SPRAGUE and COBB voted by proxy.

SEN. BARKUS will carry the bill on the Senate floor.

*{Tape: 3; Side: B; Approx. Time Counter: 21.3 - 26.2}*

**ADJOURNMENT**

Adjournment: 6:00 P.M.

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SEN. JOHN COBB, Chairman

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REBECCA SATTLER, Transcriptionist

JC/RS

**EXHIBIT (sts54aad)**